

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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HF 2650 – Nonlicensed Drivers (LSB 6473 HV)

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Fiscal Note Version – New

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**Description**

House File 2650 requires that if a peace officer stops a motor vehicle and discovers that the operator's driver's license or operating privilege is denied, canceled, suspended, revoked, or barred, the peace officer shall immediately impound the motor vehicle. The minimum period of impoundment is 30 days. The owner of the motor vehicle can redeem the vehicle at the end of that time by paying all fees, towing charges, and storage costs, which are limited to \$15 per day. The Bill also requires the owner to provide proof of reinstatement of a driver's license or operating privilege before the vehicle can be released.

House File 2650 provides that a rental company which owns an impounded vehicle must be notified within 72 hours of impoundment by the person or agency taking custody of the vehicle, and the rental company may then redeem the vehicle at any time by paying all fees and the towing and storage costs. The period of impoundment otherwise extends until reinstatement of the driver's operating privileges.

The Bill does not apply to persons sanctioned under Code chapter 321J, Code of Iowa, which provides for impoundment of motor vehicles under circumstances relating to driving under the influence of alcohol or controlled substances.

The Bill amends the definition of "abandoned vehicles," which currently provides that an impounded vehicle is considered abandoned if it is not claimed within ten days, to allow for the longer impoundment periods provided in the Bill.

**Assumptions**

1. According to the Justice Data Warehouse, in FY 2005 there were 4,344 convictions for driving with a suspended, cancelled, or revoked license, of which 4,041 were for barred and habitual offenders. This does not include the number of convictions related to driving under the influence of alcohol or controlled substances.
2. The number of suspended, cancelled, or revoked licenses is not expected to change.
3. The total number of days that a vehicle would be impounded after the 30-day minimum is unknown.
4. Assuming State and local law enforcement use private entities for towing and storing an impounded vehicle, there will be no additional or new fees collected by State or local governments.
5. If the fees, towing charges, and storage costs exceed \$15 per day, the entity responsible for paying the excess costs is unknown. Such fees would be paid to the towing and storage facility. Storage facilities may realize additional revenues due to the 30-day minimum impoundment.
6. Additional administrative costs may be incurred by the peace officer relating to impoundment of the vehicle; however, those costs are unknown.
7. It is unknown if storage facilities would have enough space to hold vehicles for 30 days or more, or whether more space would be required.

## **Fiscal Impact**

The fiscal impact of HF 2650 cannot be determined since the total number of days the vehicle will be impounded and the fees, towing charges, and storage costs associated with impounding the vehicle are unknown. Such fees would be owed to the towing and storage facility. Storage facilities may realize additional revenues due to the 30-day minimum impoundment. It is unknown if storage facilities would have enough space to hold vehicles for 30 days or more, or whether more space would be required. Assuming State and local law enforcement use private entities for towing and storing an impounded vehicle, there will be no additional or new fees collected by State or local governments.

The following information was provided by the Des Moines Police Department's Property and Impound Office: Approximately 9,000 vehicles are impounded per year in the city of Des Moines. The Office contracts out to two private companies for towing and storing impounded vehicles. Costs associated with impounding a vehicle include an administrative fee of \$20 and a towing fee of approximately \$45. Costs for storing the vehicle range from \$7 to \$10.50 for the first 24 hours, and from \$6 to \$9 per day for each day thereafter. All such costs are paid to the storage facility. Under current law, if the vehicle is not claimed within ten days, the storage facility may release the vehicle to law enforcement for sale at an auction.

Additional administrative costs may be incurred by the peace officer relating to the impoundment of the vehicle; however, those costs are unknown.

## **Sources**

Department of Public Safety  
Department of Human Rights, Criminal and Juvenile Justice Planning Division (CJJPD)

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Dennis C Prouty

March 13, 2006

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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